

# Federal Reimbursement Allowance (FRA)

## What is this funding source?

Provides ongoing reimbursement for hospital services and managed care premiums provided to Medicaid clients and the uninsured.

## What is the statutory base?

State: RSMo 208.453

Federal: Social Security Action Section 1903(w), Federal Regulation 42 CFR 443 Subpart B

## Is this a federally mandated program?

No.

## What is the funding? *(used with the Medical Services budget)*

### Payments to Hospital Through this Appropriation

State Fiscal Year	General Revenue	Federal Funds	Other	Total
2000	\$0	\$174.8 mil	\$0	\$174.8 mil
2001	\$0	\$271.1 mil	\$0	\$271.1 mil
2002	\$0	\$298.1 mil	\$0	\$298.1 mil
2003	\$0	\$400.7 mil	\$0	\$400.7 mil

### FRA Tax Assessments - Revenues Obtained

State Fiscal Year	General Revenue	Federal Funds	Other	Total
2000	\$0	\$0	\$356.1 mil	\$356.1 mil
2001	\$0	\$0	\$400.3 mil	\$400.3 mil
2002	\$0	\$0	\$463.1 mil	\$463.1 mil
2003	\$0	\$0	\$572.2 mil	\$572.2 mil

### FRA Used as a Funding Source in DMS Budget

State Fiscal Year	General Revenue	Federal Funds	Other	Total
2000	\$0	\$0	\$343.1 mil	\$343.1 mil
2001	\$0	\$0	\$444.4 mil	\$444.4 mil
2002	\$0	\$0	\$449.1 mil	\$449.1 mil
2003	\$0	\$0	\$636.4 mil	\$636.4 mil

## What is the source of the non-general revenue funding?

Federal Reimbursement Allowance

## Who is eligible?

FRA payments are made on behalf of Medicaid eligibles and the uninsured accessing hospital services.

## What percent of hospital costs are reimbursed through the FRA?

	2001	2002	2003
Medicaid Costs	33.9%	40.9%	43.4%
Uninsured Costs	77%	90%	90%